



Aarti Drugs Limited

Manufacturers of : Bulk Drugs & Chemicals

Corporate Office : Mahendra Industrial Estate,
Ground Floor, Plot No. 109-D, Road No. 29,
Sion (East), Mumbai - 400 022. (India)
Tel .: 022-2407 2249 / 2401 9025 (30 Lines)
Fax.: 022-2407 3462 / 2407 0144
Email: admin@aartidrugs.com
website: www.aartidrugs.com
CIN No.:L37060MH1984PLC055433

Ref: ADL/SE/2019-20

Date: July 11, 2019

To,
Department of Corporate Service,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

To,
**National Stock Exchange of India
Limited**
“Exchange Plaza”, Bandra - Kurla
Complex, Bandra (E), Mumbai – 400051

BSE CODE – 524348

NSE SYMBOL: AARTIDRUGS

**Sub: Annual Report for the Financial Year 2018-19
along with the Notice of 34th Annual General
Meeting (AGM)**

Dear Sir/Madam,

This is to inform you that 34th Annual General Meeting (AGM) of the members of the Company will be held on **Tuesday, August 6, 2019 at 11.30 a.m.** at **TIMA Hall, M.I.D.C. Tarapur, Dist. Palghar – 401 506, Maharashtra.**

Pursuant to Regulations 30 and 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find enclosed Notice convening the AGM and the Annual Report of the Company for the Financial Year 2018-19, which is being dispatched/ sent to the members of the Company by permitted mode(s).

The notice of AGM along with Annual Report for the year 2018-19 is also being made available on the website of the Company, viz. www.aartidrugs.co.in.

As per Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of Listing Regulations, the Company is pleased to provide to its members the facility to cast their vote(s) on all resolutions set forth in the Notice by electronic means. The instructions for voting through electronic means are mentioned in the Notice convening 34th AGM of the Company.

Please take the note of above on your records.

Thanking You,

Yours faithfully,
FOR AARTI DRUGS LIMITED

RUSHIKESH DEOLE
COMPANY SECRETARY & COMPLIANCE OFFICER

ICSI M.NO.: A54527

Encl: As above.





AARTI DRUGS LIMITED

CIN: L37060MH1984PLC055433

Regd. Off: Plot No. N-198, M.I.D.C. Tarapur, Village - Pamtermbhi, Dist. Palghar - 401 506, Maharashtra.

Phone: 022-24072249, Fax: 022-24073462

Website : www.aartidrugs.co.in, Email : investorrelations@aartidrugs.com

NOTICE

NOTICE is hereby given that the **THIRTY FOURTH ANNUAL GENERAL MEETING** of the members of **AARTI DRUGS LIMITED** will be held on **Tuesday, the 6th day of August 2019 at 11:30 AM** at TIMA Hall, MIDC Tarapur, Dist. Palghar - 401 506, Maharashtra, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt;
 - (a) the audited Financial Statements for the financial year ended March 31, 2019, the Reports of the Board of Directors' and Auditors thereon; and
 - (b) the audited Consolidated Financial Statement for the financial year ended March 31, 2019.
2. To declare a Dividend for the financial year ended March 31, 2019.
3. To appoint a Director in place of Shri Harit P. Shah (DIN: 00005501), who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("the act") and the Companies (Audit and Auditors) Rules, 2014 ("the rules") and pursuant to recommendation of the Audit Committee of the Board of Directors, M/s. Kirtane & Pandit LLP, Chartered Accountants (Firm Regn. No. 105215W/W100057), be and is hereby re-appointed as the Statutory Auditors of the Company for the period of four years to hold office from the conclusion of this Annual General Meeting until the conclusion of the 38th Annual General Meeting of the Company, on such remuneration and terms and conditions as set out in the explanatory statement to this notice."

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Sections 196, 197, 198 and all other applicable provisions, if any read with Schedule V of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, recommendation of nomination and remuneration committee of the Board, and subject to other approvals, if any, approval of the Company be and is hereby given to Shri Uday M. Patil (DIN : 01186406) who is in the permanent wholetime employment of the Company and, having also been Director of the Company gets designated as Wholetime Director for a period of five years with payment of Gross Remuneration of ₹ 12,00,000/- per annum with effect from April 1, 2019, with power to the Board of Directors to revise the same, from time to time, on an annual basis, the said remuneration for a maximum amount upto ₹ 24,00,000/- per annum."

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, [including any statutory modification(s) or re-enactment thereof] for the time being in force, the remuneration of Rs. 3,00,000/- (Rupees three lakhs only) as approved by the Board of Directors based on the recommendations of Audit Committee of the Company, to be paid to GMVP & Associates LLP, Cost Accountant, for the conduct of the Audit of the cost accounting records of the Company, for the financial year ending March 31, 2020, be and is hereby ratified and confirmed."

By Order of the Board

Sd/-
Rushikesh Deole
Company Secretary
ICSI M. No. A54527

Place: Mumbai
Date: May 15, 2019

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company. Further, a Member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.

The instrument of Proxy in order to be effective should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the Meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the Companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Item No. 4 to 6 above is annexed hereto and forms part of the Notice.
3. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a duly certified copy of the Board Resolution authorizing their representatives to attend and to vote on their behalf at the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, July 30, 2019 to Tuesday, August 6, 2019 (both days inclusive) for the purpose of AGM.
5. All documents referred to in the accompanying notice and the explanatory statements are open for inspection by the members at the registered office of the Company on all working days during 11.00 a.m. to 1.00 p.m. up to the date of the AGM.
6. Members holding shares in physical form are requested to inform the Company's Registrars and Transfer Agents (RTA), M/s. Link Intime India Private Limited immediately of any change in their address and bank details. Members holding shares in dematerialized

form are requested to intimate all changes with respect to their address, bank details etc. to their respective Depository Participants. These changes will then be automatically reflected in the Company's records. This will help the Company to provide efficient and better service to the Members.

7. Members holding shares in dematerialized form are requested to register their latest Bank Account details (Core Banking Solutions enabled account number, 9 digit MICR and 11 digit IFSC code) and Permanent Account Number (PAN) with their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's RTA as the same is mandated by the Securities and Exchange Board of India.
8. Queries on accounts may please be sent to the Company 10 (Ten) days in advance of the Annual General Meeting so that the answers may be made available at the meeting.
9. The Company has transferred unclaimed amounts of Interim Dividend and Final Dividend for FY 2010-11 to the Investor Education and Protection Fund as required under Section 124 and 125 of the Companies Act, 2013.
10. The Company is concerned about the environment. We request you to update your email address with your Depository Participants to enable us to send you communications via email. Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to provide their e-mail addresses to the Link Intime India Private Limited (RTA) sending an e-mail at rnt.helpdesk@linkintime.co.in or to the Company at investorrelations@aartidrugs.com.
11. Copies of the Annual Report 2018-19 are being sent by electronic mode only to all the members whose email addresses are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report for 2018-19 are being sent by the permitted mode. Members may also note that the Notice of the 34th AGM and the Annual

Report 2018-19 will be available on the Company's website viz. www.aartidrugs.co.in.

12. In case of Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
13. Members/Proxies are requested to bring the attendance slip duly filled in for attending the meeting.
14. Members who hold shares in electronic form are requested to write their DP ID and Client ID numbers and those who hold shares in physical form are requested to write their Folio number in the attendance slip for attending the meeting to facilitate identification of membership at the meeting.
15. The matters set out in the Notice will be transacted inter-alia through electronic voting system and the Company is providing facility inter-alia for e-voting by electronic means. Instructions and other information relating to e-voting are given in this Notice.
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Link Intime India Pvt. Ltd., Registrar and Share Transfer Agents, C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra.
17. Additional Information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the Director seeking appointment/re-appointment at the AGM, is furnished as an annexure to this Notice.

18. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 read with relevant rules of the Act, and provisions of Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide facility to members to exercise their right to vote by electronic means.

The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Friday, August 2, 2019 at 9:00 am and ends on Monday, August 5, 2019 at 5:00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Tuesday, July 30, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID;
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID;
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on attendance slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Windows and Apple smart phones. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- 19. Voting at AGM**
- The members who have not cast their vote by remote e-voting can exercise their voting rights at the AGM. The Company will make arrangement of poll in this regard at the AGM venue.
- OTHER INSTRUCTIONS**
- I. The Members, whose names appear in the Register of Members/list of Beneficial Owners as on July 30, 2019 are entitled to vote on the Resolutions, set forth in this Notice.
 - II. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the 'cut-off date' of July 30, 2019.
 - III. A member may participate in the meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the meeting.
 - IV. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the meeting through ballot papers.
 - V. CS Sunil M. Dedhia, Practicing Company Secretary (ICSI M. No. F3483) has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
 - VI. The Scrutiniser shall, immediately after the conclusion of voting at general meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. Scrutiniser shall within 3 days of conclusion of the meeting submit a consolidated scrutiniser report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing.
 - VII. The results along with the Scrutinisers Report shall be placed on the website of the Company and on the website of CDSL and shall be communicated to BSE Limited and National Stock Exchange of India Limited.

By Order of the Board

Sd/-
Rushikesh Deole
Company Secretary
ICSI M. No. A54527

Place: Mumbai
Date: May 15, 2019

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

M/s. Kirtane & Pandit LLP, Chartered Accountants were appointed as the Statutory Auditors by shareholders in the 33rd Annual General Meeting held on August 10, 2018 to hold the office upto conclusion of 34th Annual General Meeting.

Terms and Conditions of Re-appointment are as under:

Term of Appointment: 4 year from the conclusion of this AGM till the conclusion of 38th AGM.

Proposed Fees: Fixed remuneration for Statutory Audit ₹8.25 Lakhs with annual increment at the rate of approximately 10% plus applicable taxes and reimbursement of out-of-pocket expenses incurred by them in connection with the statutory audit of the Company. The proposed fees is based on knowledge, expertise, industry experience, time and efforts required to be put in by M/s. Kirtane & Pandit LLP during their association with the Company. The proposed fees are also in line with the industry benchmarks.

Credentials

M/S. Kirtane & Pandit LLP is one of the leading Indian Accounting and Professional Service firm, having been operating since 1956.

The Firm includes 19 Partners, more than 40 Chartered Accountants and over 200 audit professionals. The firm with its operations adequately supported by qualified professionals and staff from various disciplines – Accounting, Legal, Management and Direct & Indirect Taxation. They carry a good professional track-record.

On the basis of performance of auditors and recommendation of audit committee, the Board of Directors recommends the resolution at Item No. 4 of this Notice for your approval.

None of the Directors, Key Managerial Personnel and relatives thereof has any concern or interest, financial or otherwise in the said resolution.

Place: Mumbai
Date: May 15, 2019

ITEM NO. 5

The Nomination and Remuneration Committee of the Board in its meeting has evaluated the performance of executive Directors and in accordance with Company's performance and Industry norms and recommended approval to Shri Uday M. Patil (DIN : 01186406) who is in the permanent wholtime employment of the Company and, having also been Director of the Company gets designated as Wholtime Director, for payment of Gross Remuneration of ₹12,00,000/- per annum with effect from April 1, 2019 for a period of five years, with power to the Board of Directors to revise the same, from time to time, on an annual basis, the said remuneration for a maximum amount upto ₹ 24,00,000/- per annum in line with the regulatory requirements, subject to approval of the members.

Accordingly, your Directors recommend the proposal for your approval as an Ordinary Resolution.

Shri Prakash M. Patil, being relative is considered as concerned or interested in the resolution. None of the other Directors and Key Managerial Personnel of the Company is, in any way, concerned or interested, financially or otherwise, in the said resolution.

ITEM NO. 6

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, read with Companies (Cost Records and Audit) Rules, 2014, a proposal for appointment of Cost Auditor for 2019-20 was recommended by the Audit Committee to the Board. The Board has appointed GMVP & Associates LLP, Cost Accountant, as Cost Auditor for the conduct of the audit of the cost accounting records of the Company, at a remuneration of ₹ 3,00,000/- (Rupees three lakhs only) plus tax as applicable for the financial year ending March 31, 2020.

As per Rule 14 of Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors is to be ratified by the Shareholders. Hence this resolution is put for the consideration of the shareholders.

Your Directors recommend the resolution at Item No. 6 for your approval as an Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives is in any way concerned or interested, financially or otherwise, in the said resolution.

By Order of the Board
Sd/-
Rushikesh Deole
Company Secretary

BRIEF RESUME OF DIRECTORS SEEKING APPOINTMENT / RE – APPOINTMENT IS AS UNDER:

Particulars	Shri Harit P. Shah (DIN : 00005501)	Shri Uday M. Patil (DIN : 01186406)
Date of birth and age	October 12, 1963 (55 years)	June 23, 1963 (56 years)
Date of Appointment	September 15, 1995	October 18, 2000
Qualifications	B.Com	H.S.C.
Experience and expertise in specific functional areas	He has good experience of over 25 years in handling commercial functions encompassing sales, purchases and exports. He looks after local sales and exports as well.	He has good experience in factory administration work and liaisoning with various Government/ Semi Government department and agencies.
Directorships held in other Listed Companies	-	-
Memberships/Chairmanships of committees across other listed companies	-	-
Number of shares held in the Company	6,35,812	12,590
Relationship with other Directors	NIL	Brother of Shri Prakash M. Patil
No. of Board Meetings attended	6	6

Route Map to the venue of the 34th Annual General Meeting





Aarti Drugs Limited

Manufacturers of : Bulk Drugs & Chemicals

Corporate Office : Mahendra Industrial Estate,
Ground Floor, Plot No. 109-D, Road No. 29,
Sion (East), Mumbai - 400 022. (India)
Tel. : 022-2407 2249 / 2401 9025 (30 Lines)
Fax.: 022-2407 3462 / 2407 0144
Email: admin@aartidrugs.com
website: www.aartidrugs.com
CIN No.:L37060MH1984PLC055433

Ref: ADL/SE/2019-20

Date: July 11, 2019

To,
Department of Corporate Service,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

BSE CODE – 524348

To,
National Stock Exchange of India Limited
“Exchange Plaza”, Bandra - Kurla Complex,
Bandra (E), Mumbai – 400051

NSE SYMBOL: AARTIDRUGS

Sub: Compliance of Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of Listing Regulations, the Register of Members and Share Transfer Books of the Company will remain closed for the purpose of payment of Dividend, if approved at AGM, from **Tuesday, July 30, 2019 to Tuesday, August 6, 2019 (both days inclusive)**.

The Directors have recommended a Dividend at 10% i.e. Re. 1/- (Rupee One) per Equity of Face Value of Rs. 10/- each for approval by the shareholders at the forthcoming AGM of the Company

Please take the note of above on your records.

Thanking You,

Yours faithfully,
FOR AARTI DRUGS LIMITED

R Deole



RUSHIKESH DEOLE
COMPANY SECRETARY & COMPLIANCE OFFICER
ICSI M.NO.: A54527

CC:

To,
National Securities
Depository Limited
Trade World, A Wing, 4th &
5th Floors,
Kamala Mills Compound,
Lower Parel,
Mumbai – 400 013

To,
Central Depository
Services (India) Limited
Phiroze Jeejeebhoy
Towers, 16th Floor,
Dalal Street,
Mumbai – 400 023

To,
Ms. Saili Lad
Unit : Aarti Drugs Limited
Link Intime (India) Private
Limited
C-101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai – 400
083